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Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Dairy Division

SOUTH BEND-LAPORTE, INDIANA, MILK MARKET NEWS

Market Administrator
116 South William St.
P. O. Box 216
South Bend 24, Indiana

Issued For Information of Producers
Who Are Not Members of Cooperative Associations

Vol. II, No. 8

August 1958

JULY BASE PRICE \$3.49

Dairy farmers will receive a base price of \$3.49 for July 1958 deliveries of Grade A base milk to handlers under the South Bend-LaPorte, Indiana, milk order. The base price is based upon a butterfat test of 3.5 percent, and will be adjusted by a differential of 6.9 cents for each one-tenth percent that tests vary above or below the 3.5 percent standard. This price is ten cents higher than the June price, but is seventeen cents lower than the base price of July 1957.

JULY EXCESS PRICE \$2.92

July deliveries of Grade A excess milk to handlers under the South Bend-LaPorte, Indiana, milk order will be paid for at the rate of \$2.92 per hundredweight for 3.5 percent milk and adjusted by the same differential of 6.9 as is used for base milk. These minimum prices are subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charges. A uniform price of \$3.40 per hundredweight was computed for comparative purposes. This price is eleven cents higher than June, but sixteen cents less than a year ago.

PRODUCER RECEIPTS

Producer receipts on a daily basis have declined almost 17 percent from June, but are only one-fourth of a percent less than July a year ago. Class I utilization of producer receipts was up to 64.6 percent, as compared to 52 percent for June.

TRANSPORTATION TAX

The Tax Rate Extension Act of 1958 repealed the transportation tax that producers have been paying on milk hauling when it has been hauled by a contract hauler. Any hauling paid for after August 1, 1958, does not have the 3 percent tax.

REFERENDUM

The results of the referendum conducted the latter part of July were in favor of accepting the amended order as was published with the final decision on July 11, 1958. The effective date of this amended order was August 1, 1958, and hereafter Order No. 67 will be called The South Bend-LaPorte-Elkhart, Indiana, Marketing Area. Future price announcements and computations will be for the expanded marketing area. The estimated number of handlers in the market-wide pool will be twenty eight.

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UTILIZATION AND CLASSIFICATION OF MILK

	July 1958		July 1957	
	Reported Data		Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
CLASS I				
Milk	8,994,560	317,877	9,445,968	335,670
Skim Milk	92,642	80	130,269	641
Fortified Skim Milk	1,081,501	21,582	1,028,797	20,884
Buttermilk	145,525	967	221,034	1,735
Flavored Milk and Drink	200,979	5,723	265,000	7,099
Cereal Mixture	256,986	31,821	258,467	31,064
Coffee Cream	15,814	3,165	19,517	4,000
Whipping Cream	17,201	5,953	18,175	6,207
Sour Cream	14,467	2,792	15,273	2,937
Total Class I Utilization	10,819,675	389,960	11,402,500	410,237
Add: Class I Shrinkage	77,511	3,330	52,243	2,541
Subtract: Other Source Receipts	14,958	578	2,350	229
Subtract: Overage	5,983	--	--	--
Net Class I	10,876,245	392,712	11,452,393	412,549
CLASS II				
Used to Produce Cottage Cheese	1,609,955	26,302	1,421,077	26,335
Subtract: Other Source Receipts	18	18	609	244
Subtract: Overage	--	--	--	--
Net Class II	1,609,937	26,284	1,420,468	26,091
CLASS III				
Class III Products	4,445,358	194,081	3,840,555	175,579
Inventory Variation	(115,585)	(5,209)	106,720	3,601
Total Class III Utilization	4,329,773	188,872	3,947,275	179,180
Add: Class III Shrinkage	135,677	9,965	190,656	9,341
Subtract: Other Source Receipts	115,533	9,691	139,463	17,186
Subtract: Overage	8,527	1,145	2,339	--
Net Class III	4,341,390	188,001	3,996,129	171,335
TOTAL PRODUCER RECEIPTS	16,827,572	606,997	16,868,990	609,975

MISCELLANEOUS INFORMATION

	July 1958	June 1958	July 1957
Total Production	16,827,572#	19,577,711#	16,868,990#
Average Daily Production	542,825#	652,590#	544,161#
July 1958 Prod. Compared With -	--	- 16.82%	- 0.25%
Number of Producers	991	1,015	1,054
Daily Herd Production	548#	643#	516#
Av. Test of Producer Milk Received	3.60716%	3.59213%	3.61595%
Av. Price 3.5% Milk	\$ 3.40 *	\$ 3.29 *	\$ 3.56*
Base Price 3.5% Milk	\$ 3.49	\$ 3.39	\$ 3.66
Excess Price 3.5% Milk	\$ 2.92	\$ 2.89	\$ 3.04
Chicago 92 Score Butter	\$.57750	\$.57750	\$.59375
Class I Sales	10,819,675#	10,118,972#	11,402,500#
Class I Daily Average	349,022#	337,299#	367,823#
July 1958 Sales Compared With -	--	+ 3.48%	- 5.11%
Total Value Paid Producers	\$585,427.69	\$658,197.78	\$615,429.49
Av. Monthly Milk Check Per Farm	\$ 590.74	\$ 648.47	\$ 583.90
Av. Daily Milk Check Per Farm	\$ 19.06	\$ 21.62	\$ 18.84
Producer Butterfat Differential	\$.069	\$.069	\$.071

* Weighted Average of Base Price and Excess Price

